

WRS.
G.T. Co

**ZIMMERMAN, KUHN, DARLING, BOYD, TAYLOR AND QUANDT, PLC
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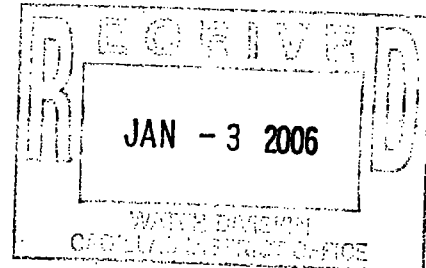


CHARLES H. MENMUIR
1903-1987
Of Counsel:
LEWIS G. GATCH

December 30, 2005

VIA FAX - 231/775-1511

Mike Stifler
Environmental Engineer, Water Bureau
Michigan Dept of Environmental Quality
Cadillac District Office
120 W. Chapin Street
Cadillac, MI 49601-2158



COPY - JH

Re: Williamsburg Receiving and Storage, Inc.
Response Activity Status Report

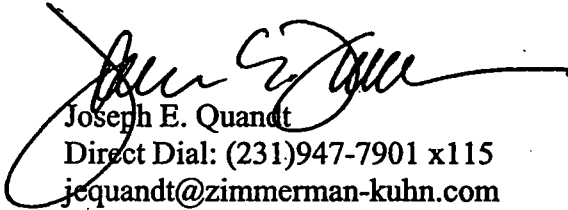
Dear Mike:

Enclosed please find a copy of the City of Reed City Wastewater Discharge Permit which was granted to Williamsburg Receiving & Storage and Cherry Blossom, LLC for the purposes of receiving wastewater. I thought that you should have a copy of the enclosed to have complete documentation of my client's efforts in this regard.

Should you have any additional questions or comments regarding the enclosed, please feel free to contact me.

Sincerely,

ZIMMERMAN, KUHN, DARLING,
BOYD, TAYLOR AND QUANDT, PLC


Joseph E. Quandt
Direct Dial: (231)947-7901 x115
jequandt@zimmerman-kuhn.com

JEQ:shp
enclosure

**ZIMMERMAN, KUHN, DARLING,
BOYD, TAYLOR AND QUANDT, PLC**

December 30, 2005

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cc: Chris Hubbell
Brian Smith
Barry Selden (via fax)
Janice Heuer
Sy Paulik
Rick Rusz (via fax)
Andy Smits
Ralph Dollhopf
Ken Smith (via fax)

**CITY OF REED CITY
INDUSTRIAL PRETREATMENT PROGRAM
WASTEWATER DISCHARGE PERMIT**

Company Name: Williamsburg Receiving & Storage / Cherry Blossom, LLC>
Division Name: N/A
Mailing Address: 9010190 Munro Road
Williamsburg, MI 49690

Facility Address: Same

The above referenced Industrial User is authorized to discharge industrial wastewater to the City of Reed City Wastewater Treatment Plant (WWTP) in compliance with the City's Industrial Discharge Ordinance and applicable provision of Federal or State law or regulations, and in accordance with discharge point(s), effluent limitations, monitoring requirements, and other conditions set forth herein.

This permit is granted in accordance with the application filed in the office of the WWTP Superintendent, and in conformity with plans, specifications, and other data submitted to the City in support of the above application.

If the Industrial User wishes to discharge after the expiration date of this permit, an application must be filed for a renewal permit in accordance with the requirements of the City of Reed City Industrial Discharge Ordinance, a minimum of 90 days prior to the expiration date.

This permit shall become effective on 01/01/2006, and shall expire at midnight on 12/31/2006.

By: _____
Wastewater Treatment Plant Sup't.

Permit Number: WR-04
SIC Code: 2035 (Primary) 0723 (Secondary)
Type of Industry: Cherry Processing

EFFLUENT LIMITATIONS AND MONITORING

- A. Discharge Point:** for the duration of this permit, the Industrial User is authorized to discharge process wastewater to the City of Reed City WWTP to the outfall listed below:

South Treatment Plant Trucked Waste access manhole (E. Lincoln Ave.)

B. Discharge Limitations and Monitoring Requirements

For the duration of this permit, all samples collected shall be done so as to demonstrate permit compliance at the point of entry to the sewer system, and shall not exceed the following limitations listed on Table 1:

Table 1: Wastewater Characteristics.

Effluent Characteristics	Units	Daily Limit	Monitoring Frequency	Sample Type
<i>Flow</i>	gpd	20,000 *	Daily	Report
<i>BOD</i>	Lbs/day	1,300	Monthly	Composite
<i>pH</i>	S.U.	6.0 - 10.5	Daily	Grab
<i>TSS</i>	Lbs/day	Report	Monthly	Composite
<i>Phosphorus</i>	Lbs/day	Report	Monthly	Composite
<i>Ammonia</i>	Lbs/day	Report	Monthly	Composite

*The daily volume of waste received may vary at the discretion of the Plant Superintendent based on the plants hydraulic capacity, and any extenuating circumstances.

1. All sampling shall be done by WWTP Staff for permit compliance means.
2. Discharge limits may be changed at any time by the WWTP Superintendent in order to maintain proper operational requirements.
3. Each tanker truck shall be sampled for pH limits.

One day at the beginning of each month when waste is trucked-in to the WWTP, samples from each delivery shall be composited, and analyzed for the above listed constituents. The cost for these tests shall total \$35.00, and will be billed to the Permitted Discharger along with a copy of the results. If the Permitted Discharger wishes to challenge the results, and requests another set of tests be run, then they will be charged \$35.00 for each complete battery of tests requested.

C. General Discharge Prohibitions

No user shall contribute or cause to be contributed, directly or indirectly to the POTW, any pollutant, or wastewater, which will pass through or cause interference with the operation or performance of the POTW. No user shall contribute the following substances to the POTW:

- 1) Any substance which by reason of their nature or quantity may create a fire or explosion hazard or be injurious to the POTW, or to the operation of the POTW including but not limited to waste streams with a closed cup flashpoint of less than 104° F or 60°C using the test methods specified in 40 DFR section 261.21 (1990);
- 2) Any solid or viscous substance which may cause obstruction to the flow in a sewer or other interference with the operation of the WWTP facilities, such as but not limited to grease, garbage with particles greater than one-half inch (1/2"), in any dimension, or any material which can be disposed of as trash;
- 3) Any wastewater having a pH less than 5.0 S.U.;
- 4) Any substance that may cause a public nuisance, or cause hazard to life, or prevent entry into the sewers for maintenance or repair;
- 5) Heat in amounts that will inhibit biological activity in the POTW resulting in plant upset or interference, but in no case heat in such quantities that the temperature at the POTW headworks exceeds 140°F (40°C) unless the Approval Authority, upon request of the POTW, approves alternate limits;
- 6) Petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass through;

- 7) Pollutant which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health or safety problems;
- 8) Any trucked or hauled pollutants, except at the discharge points designated by the POTW;
- 9) Any pollutant, including oxygen demanding pollutants released in a discharge at a flow rate and/or concentration (including any slug load), which may cause interference to the POTW.

D. All dischargers shall comply with all other applicable laws, regulations, standards, and requirements contained in the Industrial Discharge Ordinance and any applicable State and Federal pretreatment laws including any such laws that may become effective and applicable during the term of this permit.

REOPENER CLAUSE

The Control Authority may reopen this permit at any time to modify the defined conditions or limits.

COMPLIANCE SCHEDULE

None.

STANDARD CONDITIONS

- A. **Right of Entry:** the Industrial Discharger shall allow the City, Department of Environmental Quality (DEQ) or a DEQ representative, accompanied by a representative of the City, upon presentation of credentials of identification, to enter upon the premises of the Discharger at all reasonable hours, for the purpose of inspection, sampling, records examination, and records copying.
- B. **Confidential Information:** except for data determined to be confidential under applicable Federal or State laws, all reports required by this permit shall be available for public inspection at the office of the WWTP Superintendent.
- C. **Records Retention:** all of the records and information resulting from the monitoring activities required by this permit including all records of analyses performed and the calibration and maintenance of instrumentation and recording from continuous monitoring instrumentation shall be retained for a minimum of three (3) years, or longer if requested by the City of Reed City.
- D. **Dilution:** No Industrial User shall increase the use of a potable or process water or, in any way attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with the limitations contained in the permit.
- E. **Signatory Requirements:** All reports required by this permit shall be signed by a principal executive officer of the User, or their designee.
- F. **Non-Transferability of Permit:** The Industrial user is hereby advised that the wastewater discharge permit is issued to an individual discharger for a specific operation and is not assignable to another discharger or transferable to another location without the prior written approval of the City of Reed City, as detailed in the City Sewer Ordinance.
- G. **Permit Modification or Revocation:** The City of Reed City reserves the right to modify any permit per the Industrial discharge Ordinance to assure compliance by the City of Reed City with all applicable laws and regulations. The permit may be amended, revoked, or suspended in whole or in part during its duration for shown cause including by not limited to the following:

- 1) Violation of any terms or conditions of this permit;
- 2) Promulgation of new amendments to existing National Categorical Standards or other standards that would affect the individual discharge limitations set up for the Industrial User;
- 3) Failure to factually report the wastewater constituents and characteristics of the discharge;
- 4) Refusing reasonable access to the discharger's premises to the City of Reed City and /or the Department of Environmental Quality, for the purpose of inspection or monitoring;
- 5) Failure to report significant changes in wastewater constituents or characteristics.

- H. Insurance Coverage: The Industrial User shall maintain and provide proof of a minimum of \$1,000,000 of Pollution Liability Insurance, that also lists the City of Reed City as a second insured entity.
- I. Severability: The provisions of this permit are severable, and if a provision of this permit, or the application of a provision of this permit to any circumstances, is held invalid, the application of such provision to other circumstances, and the remainder of the permit, shall not be affected thereby.
- J. Penalties: Violation of this permit shall be subject to civil penalties and other enforcement mechanisms set forth by the Industrial Discharge Ordinance.
- K. Surcharge Fees: Because your company lies outside of the Reed City Corporate Limits the following surcharge rates shall apply as per Ordinance 1044.06 Quality Control:

Flow charge = \$6.22 / 1000gal
BOD charge = \$0.63 / lb (for discharges that exceed 300 mg/l)
Phosphorus = \$6.98 / lb (for discharges that exceed 7.5 mg/l)

- L. Rate Schedule: Based on City Ordinances 1042.07(f) Preliminary Treatment Facilities, and 1044.06 Quality Control, the following rate schedule applies to your discharge:

Leachate flow charge=\$6.22
BOD charge (based on 300mg/l).....=\$3.78
Administrative charges.....=\$5.00
TOTAL CHARGE / 1000 gallons.....=\$15.00

This rate does not include the monthly sampling cost of \$35.00

Business Management Consent Order

December 28, 2005

To: Chris Hubbell, President Cherry Blossom, LLC.
From: Wayne Bradeen, Reed City WWTP, Superintendent

Re: Payment Structure

Mr. Hubbell,

As per our conversation that occurred in my office on December 23rd, the manner in which you choose to pay in advance for the service provided by your Industrial User Discharge Permit must be finalized. The idea of payment via bank draft checks is an excellent choice, and I believe that a minimum balance of \$5,000.00 is adequate for the present time. If for any reason there is a sufficient delay in payment such that your operating cash balance drops below \$1,000.00, then we will temporarily halt service until further payment is received. If there are any difficulties that occur to where your balance becomes a negative amount of any kind, the City of Reed City reserves the right to immediately terminate this business agreement, and the Industrial User Permit shall be cancelled.

If you have any questions concerning the guidelines of this consent order please contact me at 231-832-5353, or by e-mail at Exemption 6

Thank you,

Wayne Bradeen